Lessons from Central Appalachia

Entrepreneurial Community Development

By Don Macke with Ann Chaffin
Special Thanks to Deb Markley and Dana Williams

February 2021
Central Appalachia is a landscape rich in both culture and natural resources. It is also a landscape with biting poverty and residents struggling to realize the American dream of prosperity. The decline of king coal in Central Appalachia is creating a socio-economic crisis manifested in lack of economic opportunity and associated personal costs of substance abuse and community decline. Like other rural communities in distressed regions of the United States, this region has can do communities and community builders. Fostering entrepreneur-led development and entrepreneurial ecosystem building in Central Appalachia is foundational to creating pathways to community prosperity.

Introduction
For over 20 years the Center for Rural Entrepreneurship (now e2 Entrepreneurial Ecosystems hosted by NetWork Kansas) has been helping regions and community in rural North America build impactful entrepreneurial ecosystems. Over these years we have evolved our e2 Ecosystem Building Framework. This paper provides an overview of the Central Appalachia e2 Initiative and key learnings and is organized into the following sections.

- Project History
- ARC POWER Initiative
- About the Appalachian Regional Commission
- Coal – An Example of Rural Crashes
- America’s Appalachian Mountain Region
- e2 Initiative Partners
- e2 Development Framework
- Top 10 Overarching Lessons Learned
- Story Guide
- Conclusion
- Acknowledgements

Spanning three years, the Central Appalachia e2 Initiative culminates with story capture and key learning curation.

Project History
In 2016, Deb Markley (formerly with the Center for Rural Entrepreneurship and now with LOCUS Impact Investing) began discussions with the Appalachian Regional Commission (ARC) and regional organizations in Ohio, Kentucky, and West Virginia on a potential entrepreneurial communities initiative. Figure 1 on the next page provides a chronology for the initiative.
### Figure 1 – Initiative Chronology

**Building Entrepreneurial Communities:**

The Foundation of an Economic Transition for Appalachia

**Context.** Historically, Central Appalachia has been rooted in natural resource extraction industries such as timber and coal. The timber industry is largely gone, and the coal industry (along with its allied activities) has been in decline (relative to community vitality) for many decades. Absolute coal mining activity contraction and increasing coal mining automation has resulted in greatly reduced employment and allied activities. These two trends have adversely impacted the vitality of communities dependent upon the coal industry resulting in rising unemployment, employment insecurity, community distress, and personal distress (e.g., at-risk behavior including opioid and other drug/alcohol abuse and addiction, domestic violence, crime, and incarceration). The flip side is the resiliency of Appalachian communities committed to building stronger economies and more prosperous hometowns. Across coal impacted areas there is innovation, commitment, and new investment.

**ARC POWER Grant Opportunity.** In response to the distress created by a declining coal industry rooted in American policy to reduce dependence on fossil fuels, the U.S. Congress appropriated increased funding to the Appalachian Regional Commission (hereinafter “ARC”) to stimulate and support economic diversification and development. In turn, ARC created the POWER grant program. The Entrepreneurial Communities (e2C) Project organized to take part in the 2016 ARC POWER grant cycle.

<table>
<thead>
<tr>
<th>Event</th>
<th>Year</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deb Markley with the Center for Rural Entrepreneurship’s e2 program is asked to help organize a 2016 ARC POWER grant application.</td>
<td>2016</td>
<td><strong>Partner organizations include Ohio’s Rural Action, West Virginia Hub, and the Foundation for Appalachian Kentucky.</strong></td>
</tr>
<tr>
<td>Grant application submitted with an ask of $1,989,051.</td>
<td>August 2016</td>
<td><strong>Targeted to be a three-year project, 2016-2019, but was extended into 2020.</strong></td>
</tr>
<tr>
<td>Grant awarded.</td>
<td>October 2016</td>
<td><strong>Grant award of $1,747,806, 12% or $241,245 reduction from the ask.</strong></td>
</tr>
</tbody>
</table>

**Impact of the Funding Reduction.** The primary impact of the 12% funding reduction (e.g., ask versus award) was to reduce capacity for “peer learning” among communities across the three-state region. The lack of resources for cross-state peer community sharing was unfortunate and could have energized the process ensuring greater post-grant sustainability.

<table>
<thead>
<tr>
<th>Event</th>
<th>Year</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project timeline developed.</td>
<td>November 2016</td>
<td><strong>The timeline was a roadmap for action.</strong></td>
</tr>
<tr>
<td>Leadership Planning Meeting</td>
<td>December 2016</td>
<td><strong>This was the beginning of organizing the project for implementation.</strong></td>
</tr>
<tr>
<td>12/8&amp;9/2016 in Charleston, WV</td>
<td></td>
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</tr>
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</table>

**Project Duration.** The timeline for this project was established from November 2016 through September 2019.

<table>
<thead>
<tr>
<th>Event</th>
<th>Year</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CRE’s New Home.</strong> The Center for Rural Entrepreneurship (CRE) is acquired by Virginia Community Capital (VCC) and begins the process of integrating into VCC creating LOCUS Impact Investing.</td>
<td>January 2017</td>
<td><strong>This organization change did not materially impact the e2C project as Deb Markley, Don Macke, Dana Williams and the CRE team remained the same.</strong></td>
</tr>
</tbody>
</table>
| Project Planning & Organizing  | January through May 2017 | Preliminary Community Scouting*  
Final Community Selection* |
|--------------------------------|--------------------------|--------------------------------|

*Potential partner communities were identified by each of the three-state partner organizations. Once funding was approved, each organization began dialogues with grant application communities to verify their continued interest and form our initial portfolio for partner e2 communities.

**Coach Training via Webinars**
- **Session 1** – April 7, 2017 – The Art and Science of Community Coaching
- **Session 2** – April 17, 2017 – Community Coaching within the e2 Framework and Process
- **Session 3** – Getting Ready to Coach Your Partner Communities

- **April 2017**

*e2 Entrepreneurial Ecosystems provides entrepreneur-related community coach training services. We have trained community coaches throughout North America ranging from North Carolina to Central Appalachia to pending work in Oregon. For additional information on community coach training contact Don Macke at don@e2mail.org.*

**Google Folders.** In order to create transparency and access, the e2C project employed the use of web-based Google Folders to host shared information.

- **Spring 2017**

*e2 Resource Library. As part of e2C, CRE provided access to the coaching teams and their communities its e2 University Resource Library.*

**Community Gatherings.** Each of the three states organized “kick-off” gatherings with teams from their partner communities.

- **May 2017**
- **June 2017**
- **Sept. 2017**

*West Virginia – Adventure on the Gorge  
Kentucky – Berea College  
Ohio – Nelsonville*

**Monthly State-Specific Coaching Team Calls.** Beginning in the summer of 2017 the e2C launched monthly coaching calls specific to each team in WV, OH, and KY. These calls were employed to provide ongoing coach training, mentoring, issue resolution, and sharing (both progress and learning). These calls continued through the life of the ARC grant or into 2019.

**Call Notes.** Deb facilitated these monthly coaching team calls, and Don took detailed notes. These notes were used to identify key developments in the project, stories to be captured, and issues encountered through the life of this project.

**Monthly Coaching Team Calls**

- **Summer 2017**

*Calls were used to address shared issues and support interstate learning.*

**Use of Stories.** The use of community stories has been helpful in this work. Deb and Don have employed stories from their national work. It is important to begin generating stories from these three states to illustrate how communities and become stronger economically and socially through entrepreneurship-led development.

**Quarterly Tri-State Calls & Gatherings**

- **Fall 2017**

*Gatherings were used to address shared issues and support inter-state learning.*

**Use of Three Priorities**

- **2018**

*This was a tactic to focus coaching efforts with partner communities.*
**Analytics Empowered Development.** A central element in the e2 framework is the use of analytics to help communities engage in discovery about their economy, entrepreneurs, and development opportunities. This resource element has had mixed results and has not proven to be as valuable as has been the case in other e2 regions (e.g., North Carolina, Kansas, Minnesota, Nebraska, Oregon, etc.).

<table>
<thead>
<tr>
<th>First Generation of Development Opportunity Profiles (DOPs)</th>
<th>2018</th>
<th>See Figure 6 on page 12.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community refocusing</td>
<td>Late 2018</td>
<td>Addressed in Top 10 Learnings</td>
</tr>
</tbody>
</table>

**Pivots.** Given community startup and sustaining challenges in the first year (i.e., mid-2017 through mid-2018), we begin to see coaching team searching for “traction” areas with their communities. The KY team begins to narrow and focus on tourism-related entrepreneurship (versus general eDevelopment) and WV has a mix of sustained e2 work and well as a shift to project focused work. Ohio, possibly with higher capacity communities, tended to stay with the e2 framework with promising next-stage progress in Logan and Nelsonville with the new shared eCoordinator hire.

| Second Generation of DOPs | 2019 | Both generations were produced early in 2018 and 2019. |

**Drill-Down Analytics.** The general or DOP focused analytics did generate some drill-down opportunities where communities sought additional information. There was particular interest in community market (i.e., retail and service consumer demand) potential and spending capture data. Additionally, a number of communities wanted community level data in addition to county level data. e2’s Wal-Mart strategy paper, *Wal-Mart Lessons Learned*, was stimulated by this work and addressed the community question of how can we help our businesses be competitive in capturing area spending.

**Tourism Market Potential.** Additional drill-down analysis was produced for the Kentucky team as they focused their efforts on tourism related development and entrepreneurs. This analysis provided both quantitative and qualitative information about the various markets that could be addressed for marketing efforts.

| No-cost grant extension. | 2019 | Extended through March 2020 |

**Community Capacity and Leadership Turnover.** There was a clear challenge with limited community capacity and leadership turnover in all three states and with most of the partner communities. The community capacity reality and eTeam turnover challenges impacted both the progress and impacts related to the e2C initiative. There have been multiple “restarts” consuming valuable time and coaching effort. It is a fair question whether the e2 framework is too complicated given community capacity and bandwidth.

<table>
<thead>
<tr>
<th>Story Capture</th>
<th>Spring 2019</th>
<th>Start of focused story and learning capture</th>
</tr>
</thead>
<tbody>
<tr>
<td>e2 Resource Library Update</td>
<td>Summer 2019 Through 2020</td>
<td>Start of e2 Resource Library update, Legacy resource for the three teams</td>
</tr>
<tr>
<td>Project Wraps Up</td>
<td>2020</td>
<td>Communities and their regional partners continue to foster community economic development through entrepreneurship.</td>
</tr>
<tr>
<td>ARC extension story capture and write-up work continues into 2021.</td>
<td>2021</td>
<td>Story capture work will be completed in the 1st Quarter of 2021 and rolled out early in 2021.</td>
</tr>
</tbody>
</table>
ARC POWER Initiative
With the dramatic decline of coal production and processing, Congress provided ARC special additional funding to create the ARC POWER Initiative and Grant Program. The following provides a description of the ARC POWER Initiative:

The POWER (Partnerships for Opportunity and Workforce and Economic Revitalization) Initiative targets federal resources to help communities and regions that have been affected by job losses in coal mining, coal power plant operations, and coal-related supply chain industries due to the changing economics of America’s energy production.

The POWER Initiative supports efforts to create a more vibrant economic future for coal-impacted communities by cultivating economic diversity, enhancing job training and re-employment opportunities, creating jobs in existing or new industries, and attracting new sources of investment.

Beginning with the first POWER grants in 2016 and continuing through 2020, this ARC Initiative has realized the following impacts:

Figure 2 - POWER’s Impact in Appalachia

<table>
<thead>
<tr>
<th></th>
<th>$238 Million Invested</th>
<th>293 Projects Supported</th>
<th>353 Coal-Impacted Communities</th>
</tr>
</thead>
</table>


Later in this paper we provide our Top 10 Overarching Lessons Learned. One of key lessons learned is the importance of external funding support durations and the ability of grantees to realize transformative change and sustainability. ARC has been a powerful partner with its member states and communities over its life, but the lack of longer-term initiative funding is undermining the potential impact and value of these investments.

ARC – A Force for Change and Good

Historically, much of what is now considered the Appalachian Region is known for its socio-economic distress and some of America’s worst poverty. Created in 1965 by an act of Congress, the Appalachian Regional Commission (ARC) has been a force for change and good. ARC is a collaboration between the Federal Government, state governments, and communities in this region of America. Communities have supported a wide range of initiatives, including massive investments in infrastructure such as better roads to entrepreneur-led economic development.

About the Appalachian Regional Commission (ARC)
By design ARC is a state and Federal Government partnership. Based in Washington D.C., ARC also has state offices in all 13 partner states. The following is ARC’s stated purpose:
"The Appalachian Regional Commission (ARC) is an economic development partnership agency of the federal government and 13 state governments focusing on 420 counties across the Appalachian Region. ARC’s mission is to innovate, partner, and invest to build community capacity and strengthen economic growth in Appalachia. A Region of Great Opportunity... ARC invests in Appalachia’s economic future by providing grants, publishing research, and sponsoring learning experiences – all to help the Region’s communities seize their opportunities, address economic disparity and advance prosperity."

ARC Website, January 2021

Map 1 – ARC Service Area

ARC has over the years classified every county (i.e., 420 counties in the ARC Region or nearly 14% of all U.S. Counties) in its service region based on its economic performance relative to the Nation employing the following classifications for 2020-2021:

- Distressed – 78 Counties – 18.6%
- At-Risk – 104 Counties – 24.8%
- Transitional – 223 Counties – 53.1%
- Competitive – 13 Counties – 3.1%
- Attainment – 2 Counties – 0.5%

Nearly all the communities that were part of the e2 Initiative were classified by ARC as Distressed or At-Risk. The ultimate goal of ARC is to move every ARC county from Distressed to Attainment or comparable to U.S. averages based on well-established metrics.

ARC has been the vehicle through which Congress has funded an initiative to help coal-impacted communities in the Appalachian Region to diversify their economies. The POWER Initiative and Grant Program as addressed in the previous section was created to deploy these Congressionally appropriated funds and is the source of funding for this e2 Communities Initiative in Central Appalachia. Map 2 on the next page provides the primary coal producing regions in the Appalachian Regions.
The following section explores how the decline of coal production and processing has created an economic crash in coal dependent communities in Central Appalachia.

Coal – An Example of Rural Crashes

Central Appalachia has historically been heavily reliant on natural resource extraction, processing, and allied activities like transportation. For Central Appalachia, resource extraction began with timber harvesting to fuel the lumber needs of a rapidly growing country and then coal mining because it was the dominate industry in many communities and much of the region. In recent years, coal mining (e.g., with respect to jobs and localized economic impacts) and associated activities has been in decline due three primary reasons as reflected in Figure 3.

**Figure 3 – Coal Country’s Decline Causes**

| Automation | Many blame the decline of King Coal in Central Appalachia on increasing environment regulation. While this is a driver, like other natural resource industries such as agriculture, industrial automation is a primary force where technology is replacing workers. With fewer workers, the localized economic benefits of this industry are eroding. |
| Competition | The development of fracking has enabled the development of vast new resources of oil and natural gas. Available and cheaper natural gas has created intense competition against coal as the fuel of choice in electricity generation. Not only is natural gas a cheaper fuel per kilowatt generated, capital costs and construction times for power plants are significantly lower and shorter. Finally, use of natural gas to generate electricity can create less greenhouse gases and climate change. |
Climate Change

Coal used to generate electricity, particularly in older and less efficient plants, is viewed as a primary generator of greenhouse gases contributing to global warming and climate change. Part of the collapse in coal mining in Central Appalachia is the closure of coal fired electricity plants or the customers for this coal.

Throughout America, and particularly rural America, there is a cumulating history of economic and social crashes created by multiple forces ranging from automation in America’s farm belt, timber in the Northeast and Northwest, mining in mountain regions and coal in Central Appalachia. In addition, massive changes in lower skill and pay manufacturing in textiles, apparel, furniture, and associated industries have and are facing massive socio-economic crashes. Significant geographies and communities in Central Appalachia are experiencing such a crash. It has been at work for some time. Such crashes are foundational driving resident and community marginalization. This is particularly powerful in communities and regions lacking economic diversification or alternative economic drivers. Fostering a more diverse economy creating pathways to both personal and community prosperity is critical given the decline of coal.

Note. e2 Entrepreneurial Ecosystems is currently developing a paper addressing resident and community marginalization and its ramifications relative to rural community development and prosperity. This paper is due for release in the Spring of 2021.

This topography map depicts the mountainous nature of the Appalachia Region, but particularly the heart of Appalachia or Central Appalachia. These mountains have created a unique culture, settlement pattern, and economy that must be recognized and addressed in pursuit of entrepreneurial ecosystem building.
America’s Appalachian Mountain Region

America’s Appalachian Region is a genuinely defined and recognized geography, and to a lesser extent cultural, region in America. Figure 4 provides a quick profile of the Appalachian Region:

**Figure 4 – Quick Profile of the Appalachian Region**

<table>
<thead>
<tr>
<th>Feature</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>States</td>
<td>13 States</td>
</tr>
<tr>
<td>Counties</td>
<td>420 Counties – 14% of U.S. Counties</td>
</tr>
<tr>
<td>Counties</td>
<td>Thousands of Communities</td>
</tr>
<tr>
<td>Population</td>
<td>25 Million Residents – 6.5% of U.S. Population</td>
</tr>
<tr>
<td>Area</td>
<td>205,000 Square Miles or 5.4% of U.S. Area</td>
</tr>
<tr>
<td>Distress</td>
<td>Distressed – 78 Counties – 18.6%</td>
</tr>
<tr>
<td>At-Risk</td>
<td>At-Risk – 104 Counties – 24.8%</td>
</tr>
<tr>
<td>Transitional</td>
<td>Transitional – 223 Counties – 53.1%</td>
</tr>
<tr>
<td>Competitive</td>
<td>Competitive – 13 Counties – 3.1%</td>
</tr>
<tr>
<td>Attainment</td>
<td>Attainment – 2 Counties – 0.5%</td>
</tr>
</tbody>
</table>

**Unique Settlement Patterns with Development Implications**

Throughout much of the Appalachian Region, created by its unique mountain topography, there are literally thousands of communities. Many are no more than an unincorporated place-name community with limited services and population. Communities are tucked away in narrow valleys or hollows. This complex and fractured settlement pattern creates economic development challenges as well as some special opportunities.

This is a region that historically is rich with five primary natural and cultural assets. Figure 5 provides an overview of these assets that are central to the historical and future development of this vast American region.

**Figure 5 – Appalachia’s Core Natural and Cultural Assets**

<table>
<thead>
<tr>
<th>Asset</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber</td>
<td>As a mountainous region, Appalachia is rich in forest resources. Timber harvesting and processing was an early economic driver in this region’s development.</td>
</tr>
<tr>
<td>Coal</td>
<td>Portions of these ancient mountains of Appalachia are rich with coal deposits that have driven local and regional economies including power generation.</td>
</tr>
<tr>
<td>Unique Culture</td>
<td>This region offers of unique cultural experience in part by those European Americans who settled Appalachia and the isolating geography of these mountains.</td>
</tr>
<tr>
<td>Watersheds</td>
<td>Like mountainous regions worldwide, Appalachia offers important watersheds supporting recreational tourism and providing water resources for adjacent urban America.</td>
</tr>
<tr>
<td>Recreational Tourism</td>
<td>Adjacent to tens of millions of metropolitan Americans, Appalachia is increasingly urban America’s playground offering a wide range of assets from trails to rafting to experiencing this region’s culture.</td>
</tr>
</tbody>
</table>

**Hometowns to 25 Million Americans – Playground for Millions More**

Latest Census estimates project an Appalachian Region population of 25 million Americans. They are spread across a vast region and often separated by the mountainous topography of the region. While ARC road investments have reduced isolation, it continues to be one of America’s most challenging regions to navigate. With improved roads, this region is now the vacationland for tens of millions of Americans, particularly the vast, east-coast-dense metropolitan population seeking the solitude and recreation offered by these amazing landscapes.
It is important to note that the Appalachian Regional Commission overlays the Appalachian Region, but it is also a politically created entity by federal and state governments. There are core regions, like Central Appalachia that are clearly part of this region, but other parts that are more marginal due to political advocacy to include certain counties in ARC to access federal funding resources. Other parts of Appalachia are urban adjacent and are actually experiencing strong growth and economic diversification.

The regions and communities that were part of e2’s Central Appalachia Entrepreneurial Communities Initiative included “classic” Appalachian communities. This distinction is important. Entrepreneurship-led development and ecosystem building is unique in this landscape of relatively small, isolated, and historically coal-dependent communities.

When I would travel to Central Appalachia to work on this initiative I would typically fly into Charleston, West Virginia. Flying into Charleston is one of my most memorable regional airports created by carving off the top of mountains to create enough flat land for an airport. Flying in from either Chicago or Atlanta one begins to feel this unique mountain topography with ridges of mountains and narrow valleys. In Central Appalachia there is relatively little flat land. Communities are small for this reason nested into “hollows” (e.g., define by Oxford Languages as “a hole or depression in something”). Until railroads were built to extract coal and later roads financed by ARC reduced isolation, these communities were isolated and insular. These conditions have huge development implications.

Don Macke, e2 Entrepreneurial Ecosystems

e2 Initiative Partners
The Central Appalachia Entrepreneurial Communities Initiative involved five core partners including:

- Central Appalachia Rural Communities Partners
- Center for Rural Entrepreneurship
- West Virginia Community Development HUB
- Ohio’s Rural Action
- Foundation for Appalachian Kentucky and Berea College’s Brushy Fork Institute
- Appalachian Regional Commission (ARC)

There were other collaborating resource partners, funders, and players engaged in this initiative. This is a relatively complex collaboration that was rooted in deep and trusting relationships that enabled these partners to work together to vision, fund, and execute the initiative. The following provides a summary of the key players beginning with the partner communities in this initiative.

Rural Communities
Central to the design of the e2 initiative we engaged regional partners (i.e., Rural Action, WV Hub, and the Foundation for Appalachian Kentucky) employing their relationships with rural communities, assessing readiness for entrepreneur-led development, and making invitations to potential partner communities. The portfolio of rural communities that participated in this initiative evolved through a three-part process:
1. Those identified as part of the application to ARC’s POWER grant program,
2. The initial invited communities that committed to be part of the initiative,
3. Those communities that were able to remain active in the initiative throughout the entire three-year program cycle.

**Figure 6 – e2 Initiative Community Partners – Counties**

<table>
<thead>
<tr>
<th>Kentucky</th>
<th>Ohio</th>
<th>West Virginia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clay</td>
<td>Athens</td>
<td>Boone</td>
</tr>
<tr>
<td>Knott</td>
<td>Hocking</td>
<td>Lincoln</td>
</tr>
<tr>
<td>Leslie</td>
<td>Meigs</td>
<td>Taylor</td>
</tr>
<tr>
<td>Letcher</td>
<td>Morgan</td>
<td>Wyoming</td>
</tr>
<tr>
<td>Owsley</td>
<td>Vinton</td>
<td></td>
</tr>
<tr>
<td>Perry</td>
<td>Washington</td>
<td></td>
</tr>
</tbody>
</table>

*Within the three partner states there were a mix of municipalities and counties target for eCommunity development.

**Center for Rural Entrepreneurship**

The national Center for Rural Entrepreneurship, birthed by the Ewing Marion Kauffman Foundation and the Rural Policy Research Institute over 25 years ago, served as the convening and hosting partner for this initiative. Deb Markley, Co-Founder and Managing Director for the Center, provided key leadership in forming this collaboration, securing funding from ARC and others, and organizing the initiative. This work began in 2016 and in 2017 the Center was acquired by Virginia Community Capital becoming part of LOCUS Impact Investing. In 2019 the Center was dissolved with its philanthropic work staying with LOCUS and its entrepreneurship work (now e2 Entrepreneurial Ecosystems) moving to a new home with NetWork Kansas. Through all these changes the Center’s team remained active in support of this initiative as a host organization, resource partner, and now story capture team.

**Community Relationships and Coaches**

Central to the design and success of this initiative are the community relationships that each of the regional development partners offered in their parts of Central Appalachia. Having existing relationships was foundational in the ability to curate community partners as part of the Entrepreneurial Communities Initiative. Neither ARC nor the Center for Rural Entrepreneurship had these relationships. This is an important lesson for other external development organizations and funders seeking to stimulate and support change in rural America. In addition to having community relationships, these regional development organizations also provided knowledgeable and culturally appropriate community coaches able to engage with partner communities effectively and efficiently. This a second lesson for outsider funders and development organizations to keep in mind.

**West Virginia Community Development Hub**

Serving rural communities in West Virginia, the West Virginia Community Development Hub (WV Hub), was a partner in this initiative. The following provides background about the Hub from its website:

*At the West Virginia Community Development Hub, we believe every community has the tools to develop economic opportunities and jobs; optimal health conditions; attractive and inspiring community environments; bright futures for young people, and citizens who believe they deserve these things and are prepared to work together to get them.*
In West Virginia, we don’t always see that potential realized in our towns and cities. In fact, the Mountain State often ranks near the bottom in many quality-of-life measurements. Every individual in a community has talents and ideas that would benefit the rest, but the health of the community depends on the individuals coming together. We want to help with that.

Since 2009, The Hub, has worked in dozens of communities to coach community members through a process that helps them identify leaders and assets; develop plans and set goals; and connect with a wide network of resources to meet those goals. The Hub’s work in communities has contributed to revitalizing communities such as Buckhannon, Thomas, Shinnston, Grafton, Matewan and others. The Hub has been instrumental in helping to create initiatives that address community opportunities and challenges such as developing local food systems, enhancing community sustainability, securing funding for community facilities, restoring historic downtowns, and more.

Ohio - Rural Action
Serving rural communities in Appalachia Ohio, Rural Action was a partner in this initiative. The following provides background about Rural Action from its website:

Nestled in the foothills of Appalachian Ohio, Rural Action was founded in 1991 on the principle that locally based, sustainable, and inclusive development is the main strategy for building resilient rural Appalachian communities. Rural Action’s mission is to build a more just economy by developing the region’s assets in environmentally, socially, and economically sustainable ways. We do this work by focusing on sectors identified as important by our members: food and agriculture, forestry, zero waste and recycling, environmental education, watershed restoration, and energy. Emerging work in social enterprise development and local tourism are more recent parts of our portfolio.

Our core work centers on:

- Helping small communities do big things
- Growing local businesses and jobs
- Restoring our environment
- Cultivating the next generation of leaders

Rural Action has a network of over 600 members throughout Appalachian Ohio. The organization is governed by a Board from across Appalachian Ohio, with strong private sector involvement. The Board oversees a CEO who manages a staff of 28 full-time equivalent staff, 31 AmeriCorps members, and 5 AmeriCorps VISTA members through the Corporation for National and Community Service.
Foundation for Appalachian Kentucky and Brushy Fork Leadership Institute
The primary regional partner from Appalachian Kentucky was the Foundation for Appalachian Kentucky. The following provides information about the mission and vision of the Foundation from its website. A core partner bringing significant capacity and community relationships (including providing community coaches) was Berea College.

OUR MISSION

A catalyst for community collaboration and charitable giving; building capacity and creating permanent, locally controlled community assets as sustainable resources to improve quality of life and place in southeastern Kentucky.

VISION

The Foundation for Appalachian Kentucky will be a leading and trusted community foundation; transforming Eastern Kentucky through charitable giving, community involvement and strategic partnerships; investing assets in our communities for a strong, healthy, and sustainable region.

www.appalachianky.org, January 2021

The following is background about Berea College and the Brushy Fork Institute hosted by the College. Berea is a truly unique and progressive regional higher education institution rooted in its Great Commitment of Berea College in service to the people and communities of Appalachian Kentucky:

The Great Commitments of Berea College

Berea College, founded by ardent abolitionists and radical reformers, continues today as an educational institution still firmly rooted in its historic purpose “to promote the cause of Christ.” Adherence to the College’s scriptural foundation, “God has made of one blood all peoples of the earth” (Acts 17:26), shapes the College’s culture and programs so that students and staff alike can work toward both personal goals and a vision of a world shaped by Christian values, such as the power of love over hate, human dignity and equality, and peace with justice. This environment frees persons to be active learners, workers, and servers as members of the academic community and as citizens of the world. The Berea experience nurtures intellectual, physical, aesthetic, emotional, and spiritual potentials and with those the power to make meaningful commitments and translate them into action.

To achieve this purpose, Berea College commits itself:

- To provide an educational opportunity for students of all races, primarily from Appalachia, who have great promise and limited economic resources.
- To offer a high-quality liberal arts education that engages students as they pursue their personal, academic, and professional goals.
- To stimulate understanding of the Christian faith and its many expressions and to emphasize the Christian ethic and the motive of service to others.
- To promote learning and serving in community through the student Labor Program, honoring the dignity and utility of all work, mental and manual, and taking pride in work well done.
• To assert the kinship of all people and to provide interracial education with a particular emphasis on understanding and equality among blacks and whites as a foundation for building community among all peoples of the earth.
• To create a democratic community dedicated to education and gender equality.
• To maintain a residential campus and to encourage in all community members a way of life characterized by mindful and sustainable living, health and wellness, zest for learning, high personal standards, and a concern for the welfare of others.
• To engage Appalachian communities, families, and students in partnership for mutual learning, growth, and service.

First articulated in 1962, the Great Commitments represent the historic aims and purposes of Berea College since its founding in 1855. The Great Commitments were originally adopted by the General Faculty and the Board of Trustees in 1969; they were revised and similarly approved in 1993 and most recently in 2017.

www.berea.edu, January 2021

The following provides information on the Brushy Fork Leadership Institute hosted by Berea College:

Mission, Values, Commitments & Goals

Mission... To strengthen local and regional leadership in Central Appalachia.

Vision... Local people effectively lead the development of Appalachian communities, resulting in an enhanced quality of life.

Values... As Brushy Fork Leadership Institute provides established and emerging leaders with opportunities to enhance their skills, gain innovation perspectives, and create connections with others working on similar issues, we approach this work with the intent to:

• Honor the voice and vision of local people.
• Engage community members in partnership for mutual learning, growth, and service.
• Promote learning, innovation, and results through hands-on work in community.
• Encourage mindful living, zest for learning, and concern for others.
• Assert the kinship of all people.

Goals... Brushy Fork Leadership Institute’s overarching programmatic goals are to:

• Increase the number of people assuming leadership at the community, organizational, and regional levels.
• Enhance leadership skills and perspectives for individuals and organizations.
• Apply learning through projects that make a difference in community.
• Support regional networks and partnerships.
• Promote Brushy Fork’s leadership values and the great commitments of Berea College.
Appalachian Regional Commission (ARC)
ARC provided significant funding enabling this initiative through the POWER grant program associated with Congress’s commitment to helping coal dependent communities in Appalachia to transition from coal to other economic activities. Earlier in this paper we provided background on both ARC and the POWER Initiative.

In the next section the journey continues with entrepreneurial community development and ecosystem building in rural communities in Central Appalachia with a review of employment of the e2 Development Framework.

Framework Defined
The Oxford Language Dictionary defines a framework as, “...a basic structure underlying a system, concept, etc.” Over the years we have employed a framework approach recognizing that every rural community and region has unique assets, development opportunities and circumstances, and development preferences. A framework provides communities a structure to envision and grow an impactful entrepreneurial ecosystem while providing necessary flexibility. We always remember the rural concern ‘one size does not fit all.’

e2 Development Framework
Decades ago, we began our quest to learn how entrepreneur-led development could become a foundational economic development strategy in a wide range of rural communities such as small metropolitan areas like Missoula, Montana, to very rural communities as was the case with the Central Appalachia Entrepreneurial Communities Initiative. Approximately every three to five years, e2 engaged in community learning, field testing and capture of what is now our evolved e2 Development Framework. To learn more about e2’s development framework download our thought paper, Rural Community Prosperity Development Framework, or our book, Energizing Entrepreneurial Communities – A Pathway to Prosperity.

National e2 Practitioners Network and e2 University Resources.
e2 has made its e2 Development Framework and accompanying resources (e2 University) a public good and free to any community economic development practitioner worldwide via our National e2 Practitioners Network. Learn more about the Network or join by completing the enrollment survey. There are additional resources that can help any community access the e2 Development Framework including our e2 Newsletter, and our podcast, Pathways to Rural Prosperity. Sign up or subscribe to any of these resources.

The Central Appalachia e2 initiative employed and evolved the e2 Development Framework to optimize its use in these very rural communities.
Top 10 Overarching Lessons Learned

In this paper you will find two curated lists of insights and lessons learned with similarities and differences. The following list of **overarching lessons learned** was developed by Don Macke based on his takeaways from this work. The second list of lessons learned was curated by Deborah Markley (shared later in this paper and expanded upon on the LOCUS Impact Investing web page). **Note. The following list is not presented in any order of importance:**

1. Environment and Culture  
2. Community Development Capacity  
3. Community Champions  
4. Community Coaches  
5. Partner Regional Organizations  
6. e2 Development Framework  
7. External Funding Limitations  
8. Entrepreneurial Opportunities  
9. Overwhelming Community’s Capacity  
10. Long-Term Entrepreneurial Ecosystem Building Commitment
#1 - Environment and Culture. Every rural landscape has a unique environment with respect to distress or growth and culture. Development readiness and capacity is not universal across the vast North American landscape. The coal impacted communities, which were part of this initiative, were relatively small, experiencing chronic and severe distress, demonstrating more limited development readiness and capacity, and challenges due to the assistance overload being provided by competing ARC POWER funded initiatives. (More on this last point is addressed in Learning #9.) The socio-economic environment in coal impacted communities is highly distressed. It is more difficult for rural communities that have been experiencing chronic and severe distress to engage effectively in any kind of development, including entrepreneurial led development. Additionally, rural, industrialized landscapes create a culture that is less entrepreneurial. Where there is a strong tradition of working in industrialized activities like factories or mines and less economic diversification, there is less developed entrepreneurial talent. For the communities in Central Appalachia there is the challenge and opportunity for growing entrepreneurial talent (e.g., particularly the all-important group of growth-oriented entrepreneurs) and culture.

#2 - Community Development Capacity. As we worked in Central Appalachia, we were also working in Southeastern Minnesota on a very similar initiative. The contrast with respect to community readiness and development capacity (e.g., key environment and culture considerations) between the Minnesota communities and many of the Central Appalachia communities is striking. For decades, Minnesota has cultivated a rich environment of rural community capacity building supported by the Minnesota Initiative Foundations, Minnesota Extension and its substantial collection of private foundations such as the Blandin Foundation, which is providing funding to the REV e2 Initiative. The Minnesota e2 community partners, by and large, were more ready and had greater capacity to engage in entrepreneur-led development. Even within the three states of the Central Appalachia e2 Initiative there were readiness and capacity differences. Rural communities in West Virginia had somewhat greater capacity due to the WV Hub’s prior community capacity building activities when compared to Ohio, and particularly Kentucky. It is also important to note that the level of chronic and severe socio-economic distress varied widely from rural community partner to the next. Community readiness and capacity is foundational to reasonably paced and successful entrepreneur-led development.

#3 - Community Champions. In our e2 work we consistently talk about the all-important type of leaders we call champions. Our work with rural communities in Central Appalachia once again demonstrated in powerful ways that when we had committed and effective community champions, we experienced progress. Where champion leadership was weaker or nonexistent, there was slower progress and multiple restarts with new leadership. Entrepreneur-led development, to be impactful, let alone transformative, must be robust and a 24-7-365-forever commitment. Rural communities with weaker readiness, development capacity, and stressed development organizations often have weaker champion leadership. This is particularly true in Central Appalachia where rural communities were overwhelmed with help from various ARC POWER assistance offerings. See Learning #9.
Disruption of Leadership--Restarts

Restarts are a common challenge that undermines progress and impact with eCommunity initiatives. Restarts are when a community begins an initiative and then must slow down or even take a break in its work slowing or disrupting progress. There are multiple reasons for restarts including natural and economic events, community coach changes and champion leadership changes. Within the portfolio of communities in the Central Appalachia e2 communities, there were multiple champion leadership related restarts. In some cases, these initiatives were restarted when new champion leadership was found while in other cases the initiative ceased in a partner eCommunity.

#4 - Community Coaches. In our e2 Development Framework we recommend the use of Community Coaches provided by regional development agency partners to help guide and mentor partnering eCommunities through their entrepreneurship development journey. Over the years we have found that the effectiveness of the community coach and coach continuity is profoundly important. There is also an issue of community coaches remaining true to the e2 Development Framework and process. Our experience in Central Appalachia confirms earlier learning from other e2 initiatives that where we have coach turnover, coaches with varying capabilities and coaches who drift to non-entrepreneurship focused development, the entrepreneurial development progress and impact is undermined. In this initiative we also had coaches who proved very effective and focused who empowered significant community progress and impact.

#5 – Partner Regional Organizations. Our experience at e2 is clear, when building rural entrepreneurial ecosystems having host regional organizations is a powerful asset that contributes to success. Organizations like the Southeastern Minnesota Initiative Foundation, Communities Unlimited, NetWork Kansas or the Ford Family Foundation in Oregon provide critical organizing and operational support. The ARC three-region partner group in Ohio (Rural Action), West Virginia (West Virginia Hub) and Kentucky (Foundation for Appalachia Kentucky and Berea College) proved foundational in this initiative and the success it realized. While individual communities can employ the e2 Development Framework effectively like Ord, Nebraska has over the past 20 years, it is more challenging. Even Ord had external support in the early years of its eDevelopment through HomeTown Competitiveness (HTC). Not all regional organizations are equal in their commitment and capacity. Regional organizations with more marginal commitments and less capacity too often lack enough effective engagement to stand up a portfolio of eCommunities within their service area. NetWork Kansas, with its robust and consistent strategy over the years, demonstrates what is possible on a statewide level where now 65 eCommunities are at a work covering a large portion of the state.

#6 - e2 Development Framework. Our extensive community economic development experience confirms the value of a development framework that can be customized to the unique and genuine development opportunities, assets and preferences of communities and regions. In our work in Central Appalachia, we had deep commitment from our regional partners to employ the e2 Development Framework. There was extensive training, regular mentoring and strategy calls, trouble-shooting conversations, and regular in-state community gatherings. Despite these strong commitments and best intentions many communities never really embraced the e2 Development Framework. Some did and realized significant ecosystem building progress.

#7 - External Funding Limitations. At e2 we have worked with external funders for over 40 years. Most external funders ranging from USDA Rural Development to state administered Community Development Block Grants to public and private foundations, provide limited duration funding (e.g., one to three and
For rural communities experiencing chronic and severe socio-economic distress, a one, three or even five-year external grant investment cannot realize transformative change. Most of these funding sources can meet particular and narrow needs and opportunities (e.g., seed a program) but cannot ensure sustained community engagement. Most of these shorter-term grant programs assume that the communities have viable sustainability opportunities and capabilities. This is generally a false assumption. For lower capacity rural communities, there is a need for sustained and longer-term external engagement if the goal is to empower transformative change through sustained effort.

**Long-term funding commitments**

There are exceptions where external funders and development partners make longer-term commitments resulting in material progress that enables transformative positive change. One example is the W.K. Kellogg’s Foundation’s decade-long commitment to the HomeTown Competitiveness initiative. The very first HTC partner community was Ord, Nebraska. HTC not only contributed to Ord becoming a transformed rural community but laid the foundation for e2’s Development Framework. Read the Ord case study, *Ord, Nebraska – An Entrepreneurial Community*. Other examples include the Kansas Health Foundation’s commitment over more than two decades to community foundation development in Kansas and the Lilly Endowment’s ongoing commitment to community economic development throughout Indiana via community foundations. Finally, another interesting model of long-term and systemic community partnering are the Minnesota Initiative Foundations.

**#8 - Entrepreneurial Opportunities.** Andy Stoll with the Ewing Marion Kauffman Foundation is known to share the following insight:

“Entrepreneurial talent is universal, entrepreneurial ecosystems are not.”

Andy’s insight is profoundly important. There is entrepreneurial talent in every community regardless of size or location. For many rural communities it may be thinner and less developed when compared to environments with robust entrepreneurial ecosystems or environments like Ord, Nebraska; Boulder, Colorado; Austin, Texas; or Silicon Valley in California. Given the socio-economic distress of the communities engaged in the Central Appalachian e2 initiative and the underlying environment and culture (refer to Insight #1 for more detail), entrepreneurial talent is both thinner and less developed. Nevertheless, it is present. Embracing asset-based and opportunity focused development and working with available eTalent is foundational to progress in this work.

**Energy Area Innovation**

Every time we work with communities there are innovations. Some of these innovations are small, customizing this framework to specific community assets, opportunities, circumstances, and development preferences. Others are more material that are embedded in the next generation of the e2 Development Framework. One of the material innovations from the Central Appalachia e2 work was the introduction and development of what we call energy areas. Whether a rural community is launching its first entrepreneurial development game plan, or growing to the next level, it must determine “what comes next or the starting point” by identifying and focusing on energy areas, or current development priorities that already enjoy significant community prioritization and work.
Examples of energy areas include downtown revitalization, farm-to-table agriculture, micro-cluster development or recreational tourism. An example from Jackson County, Kentucky is their energy area focused on recreational tourism development rooted in significant trail assets. In this particular case the imperative was to increase in-county lodging. Building traditional lodging like resorts to motels was a bridge too far. So, the entrepreneurial ecosystem embraced enhancing Airbnb development increasing the number of lodging options from a few to dozens within a year’s time. Check out the Jackson County, KY story for more information.

#9 - Overwhelming Community’s Capacity. Congress, under pressure to address the distress associated with a stressed coal industry to provide assistance, is funding numerous initiatives in Central Appalachia at the same time. Each of these initiatives, while well intentioned, required community collaboration and commitments. The competition for community engagement challenged the e2 initiative. Simply put, many communities did not have the bandwidth to take advantage of multiple development opportunities and assistance empowered by the ARC POWER initiative. There is a huge lesson to be learned here. Regardless of the best intentions, external development funders and partners must appreciate the capacity of targeted communities to engage. Moving nearly a quarter of a billion dollars in funding (see Figure 2) over a relatively short time in a region with relatively low development capacity communities creates a challenge and may well undermine longer-term value and impact of these investments. Our intent here is not to be critical of Congress or ARC, but external funders must take a longer-term view where community capacity building and initiative funding is introduced over a longer period of time to enhance optimal value and impact.

Nebraska Community Foundation Model

Community foundations, particularly those hosting rural community affiliate funds, are increasingly important in rural community economic development. These institutions are community focused and forever organizations. Like the Minnesota Initiative Foundations (i.e., by design are hybrid community foundations and regional community economic development corporations), a growing number of rural focused community foundations are moving into the economic development space. The Nebraska Community Foundation is a promising model with respect to fostering community-centered community economic development. This quarter-of-a-century-old institution is thriving with hundreds of rural community affiliate funds. As part of its current five-year strategic plan, the Foundation is focused on entrepreneur-led development.

#10 - Long-Term Entrepreneurial Ecosystem Building Commitment. We have already addressed this point in our review of the Overarching Top 10 Lessons Learned from our work in Central Appalachia. But there is a larger lesson with respect to rural community economic development policy in America. Going back to Land Grant University and Extension initiatives launched in the 1860s to the New Deal rural initiatives during the Great Depression, American rural development policy and initiatives, both governmental and private, have struggled to offset the decline of rural America. First, not all of rural America is in decline, but significant geographies in rural America are experiencing chronic and severe decline and distress. Just as Minnesota’s Initiative Foundations are structured to be forever partners with rural communities in rural Minnesota, we must develop similar robust and long-term regional, state, and national collaborations.
Next, we explore the stories captured from the e2 work in Central Appalachia curated by LOCUS Impact Investing and e2.

**Story Guide**
LOCUS Impact Investing has created a legacy resource associated with the Central Appalachia entrepreneurial communities’ initiative. The following hyperlink connect readers to all of the learning resources associated with this project:


This web-based resource includes information about the project, learning themes, project resources and access to the e2 Resource Library employed in the initiative. Deborah Markley, with input from the entire initiative team, curated a list of learning themes with hyperlinks to stories illustrating the learning themes. The following stories are available through this website:

**Learning Theme 1. Community Readiness.** Communities must be “ready” to take on the work of building an entrepreneurial community. What does readiness look like? It is primarily about having the leadership and organizational capacity to not only launch but sustain the work over time. And, most importantly, it is about finding, cultivating, and sustaining champions.

- Entrepreneurship Champion: Glenn Baker - Owsley County KY
- Entrepreneurship Champion: Judy Schmitt - Jackson County KY
- Entrepreneurship Champion: Lynne Genter - Amesville OH
- Community Readiness in WV
- Young Leaders in Boone County WV

**Learning Theme 2. Creating an Entrepreneurial Culture.** In so many rural places, the roots of entrepreneurship are hidden, covered over by more recent economic developments focused on attracting business, extracting resources, and looking to outsiders to create jobs and wealth. Building a “grow your own” entrepreneurial culture and transitioning away from the community’s past requires leadership, positive examples, data to drive decision making, and a framework for taking action.

- Carnivore BBQ in WV
- Espresso Yourself in Grafton WV
- Growing Opportunity in Ohio Communities
- Inspiring Young Entrepreneur in Madison WV
- Ma & Pa's BBQ in WV
- New Year, New Business in Pomeroy OH
- Rags to Roses Events LLC in WV
- Red Tool House in WV
- Resources & Inspiration for Appalachian Ohio Entrepreneurs
- Shawnee OH Story
- Sunshine Bakery in Nelsonville OH
- Vinton County Ohio’s Entrepreneurship Story [video]
- WV Artist Takes the Leap to Start Her Business
Learning Theme 3. Community Coaching. Community coaches are an important ingredient for success. Coaches serve as guides for community leaders, bringing resources, accountability, and discipline for community teams. But coaching is most successful when there are stable coaching relationships and a commitment by the community to being coached.

- Coaching Journey: Dan Vorisek
- Coaching Journey: Ellie Dudding

Learning Theme 4. Importance of a Framework. A framework provides structure for an exploration, including suggested steps and guideposts along the way. The Entrepreneurial Communities framework is important as a guide for communities. But experience in Appalachia suggests that the community coach plays an important role in translating the framework into language that resonates with their community.

- Outlining the Framework to One Ohio Community
- Applying the Framework in New Straitsville OH

Learning Theme 5. Momentum, Momentum, Momentum. Early “wins” help communities see what is possible and give them the energy needed to continue the work. When the work is hard – and culture change work is hard – it is important to recognize and celebrate the early wins. When an entrepreneur gets connected to resources or decides to open that Main Street business because of the community’s support, those small wins needed to be trumpeted by local media, the Chamber, and other organizations. Providing incentives via mini grants to build momentum is a useful strategy.

- Boone County WV Business Meetups
- Boone County WV Mini Grants, Meet-ups, Youth and Festivals
- Building Entrepreneurship through E-Commerce in WV
- Building Momentum through Community Investment Grants
- Business Fundamentals Workshops in Grafton WV
- Entrepreneurship on the Move in WV
- Lessons from How-to Airbnb Workshop in Jackson County KY
- Rural Action Fundraising [video] - Workshop in McArthur OH
- Lincoln County Arts and Business Meetups
- Madison WV Meetups
- Recognizing SPICE in OH
- SPICE Community Investment Fund Grant Announcement in OH
- Shawnee Community Investment Fund Grant Supports Farmers Market

Celebrating Entrepreneurs and E-Communities in Ohio...

- Issue 1: Rollin' Old School - Dow's Roller Rink of Nelsonville
- Issue 2: Brilliance in Business - Pomeroy's Jewelry Tradition
- Issue 3: Store's Legacy Continues with New Managers
- Celebrating Entrepreneurs and E-Communities in West Virginia
- Issue 1: Entrepreneurial Communities leaders travel to Kansas
- Issue 2: Wyoming County Artist Takes the Leap to Start a Business
- Issue 3: Dynamic Duo Create Community Art Walk in Madison
- Issue 4: Wyco Pitch Fair
Learning Theme 6. One Size Does Not Fit All. Community size, place (geography, economic history) and the robustness of the existing entrepreneurial ecosystem matter. Because this work builds on the system already in place, its strengths – and weaknesses – matter. Places with a history of investment in community capacity building, such as Minnesota, seem to have an advantage in adopting and adapting a framework like entrepreneurial communities that other regions do not have.

- GROW Wyoming County WV
- Peer Learning in OH

Learning Theme 7. Marathon not a Sprint. Entrepreneurial communities’ work is a long journey. Experience in other places suggests that to really begin to shift trend lines – population, income, wealth – takes 10+ years. In Appalachia, start-up times varied by state, but evidence of progress built over time.

- Business Outreach Coordinator in Logan OH
- Jackson County, Kentucky - Deep Dive Story

Learning Theme 8. Finding the Right Intermediaries. The long-term success and sustainability of this work may depend upon embedding it in the “right” intermediaries – ones with a commitment to community economic development and to community engagement. It is important that a rooted-in-region organization takes ownership for this capacity building work so that communities have a ready, willing, and able partner throughout the ups and downs of this journey.

Learning Theme 9. Progress Linked to “Energy Areas”. We are seeing promising progress related to entrepreneurial development as an economic transition strategy, especially as it connects to sector-focused strategies like recreational tourism. Over time, communities applied their time and the learning from this work to “energy areas” – emerging opportunities connected to trail development, downtown
revitalization, other POWER-funded activities – that helped them make progress and see the rewards from their work.

- Combining Youth and Outdoor Recreation to Build Entrepreneurial Energy in WV
- Finding Energy in a Downtown Theater Renovation in Grafton WV
- Leveraging Bailey's Trail in Ohio
- Leveraging Outdoor Recreation Excitement in WV
- New Straitsville OH Health Center Committee Action
- Working with County Economic Development in Boone County WV

**Learning Theme 10. Community Capacity Building as a Prerequisite for POWER.** The effectiveness of initiatives like ARC’s POWER program is dependent on community capacity being in place first. POWER brought money and new organizations engaged in community and economic development to Central Appalachia but, in some cases, the capacity in communities to effectively absorb this new funding was limited and proved challenging.

**Conclusion**
Community economic development is primarily the responsibility of each and every community in the United States. This is a 24-7-365 forever responsibility. Most community economic development in the United States lacks robust commitment, and opportunity focused and asset-based development strategies. Regions like Central Appalachia, hard hit by the decline in King Coal are challenged to find the right game plan to move to greater vitality and prosperity. Entrepreneur-led development is foundational, and the lessons learned from the Central Appalachia Entrepreneurial Communities Initiative are important and could guide further local and externally supported developments in the future.

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How e2 Can Help

e2 Entrepreneurial Ecosystems helps communities increase prosperity through entrepreneur-focused economic development and ecosystem building. Led by Don Macke, e2 has a national team of practitioners who bring research, coaching, incubation, market intelligence and other expertise to this work.

What We Do

✓ Mentoring. We mentor and coach new practitioners seeking to pursue entrepreneur-led development. We provide advice and support for building eEcosystem strategies that work and invite practitioners to join our National e2 Practitioners Network.

✓ Analytics Support. e2 helps communities and regions understand their entrepreneurial potential through research and data.

✓ e2 University (e2U) is our online platform for sharing guides, papers, stories, tools, and resources with communities wanting a deep dive into eEcosystem building. Don Macke leads the e2 University team with analytics support from Cathy Kottwitz and report preparation from Ann Chaffin. Special recognition for their e2U legacy contributions goes to Dana Williams and Deb Markley, LOCUS Impacting Investing.

✓ Fostering the eMovement. We support the national entrepreneurship movement along with our partners including the Federal Reserve Bank of Kansas City, SourceLink, Edward Lowe Foundation, Kauffman Foundation, and NetWork Kansas. We are a founding member of Start Us Up: America’s New Business Plan, a coalition dedicated to strengthening entrepreneurship across America. Together, we continue to advance the foundational ideas of building entrepreneurial ecosystems and entrepreneurship-led economic development.

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NetWork Kansas, a 501c3 nonprofit organization dedicated to developing an entrepreneurial ecosystem in Kansas, is the home for e2 Entrepreneurial Ecosystems. NetWork Kansas connects aspiring entrepreneurs, emerging and established businesses, to a deep network of business building resource organizations across the state.

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